

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF TEXAS  
SHERMAN DIVISION

STMICROELECTRONICS, INC.,

Plaintiff.

v.

SANDISK CORPORATION

Defendant.

CIVIL ACTION NO. 4:05-CV-44  
JUDGE RICHARD A. SCHELL  
MAGISTRATE JUDGE DONALD D. BUSH

JURY TRIAL

STMICROELECTRONICS, INC.,

Plaintiff.

v.

SANDISK CORPORATION

Defendant.

**CIVIL ACTION NO. 4:05-CV-45**  
**JUDGE MICHAEL H. SCHNEIDER**  
MAGISTRATE JUDGE DONALD D. BUSH

JURY TRIAL

**ORDER OF DISMISSAL**

STMicroelectronics, Inc., Plaintiff/Counter-Defendant, STMicroelectronics, N.V., Third Party Defendant (collectively "ST"), and SanDisk Corporation, Defendant/Counter-Plaintiff ("SanDisk") having filed a Joint Stipulation of Dismissal as follows:

1. Both parties dismiss with prejudice all claims and counterclaims in the above-captioned cases currently pending between them (hereafter "the Texas Actions"). The parties jointly request the Court to enter an Agreed Order of Dismissal With Prejudice as the final disposition of the matter before them, setting aside any prior rulings in both matters.

2. The dismissal with prejudice of SanDisk's declaratory judgment counterclaims against ST patents in Texas will preclude re-litigation of those declaratory judgment claims in California, including SanDisk's pending California declaratory judgment claims concerning ST's '768, '816,

and '581 patents. SanDisk will request the California Court to dismiss the declaratory judgment claims asserted in the recently amended complaint in California Case No. 04-4379 JF as to the ST patents, or further amend its complaint to drop those declaratory judgment claims.

3. The Parties' dismissals with prejudice run with the patents, e.g., if a third party acquires any of the patents asserted by either party in the Texas Actions, that third party will not be able to assert or reassert against either ST or SanDisk any claims under any of the nine patents involved in the Texas Actions that ST or SanDisk made, or could have made in the Texas Actions.

4. The dismissals with prejudice will apply to any ST or SanDisk products or ST or SanDisk processes accused, or which could have been accused under any of the nine patents involved in the Texas Actions and will specifically apply to and cover any products or processes that ST subsequently provides or makes available to any successor in interest to its memory business (any such successor being referred to generically here as "Spinco").

5. SanDisk and ST agree that for a period of 12 months from entry of dismissal, neither party, nor any successor in interest, e.g., Spinco, will reassert any of the nine patents at issue in the Texas litigation against one another or against any successor in interest, e.g., Spinco.

6. The parties agree that no express license is granted by or to either party under any of the Texas patents or to any other intellectual property rights as a result of this dismissal.

7. The parties will bear their own costs and attorney's fees.

Therefore, in consideration hereof, **IT IS ORDERED** that the above-captioned case (4:05-cv-45) assigned to this Court is hereby **DISMISSED WITH PREJUDICE**. All prior rulings of this Court are set aside. Each party shall bear its own costs and attorney's fees.

IT IS SO ORDERED.

SIGNED this 25th day of June, 2007.

A handwritten signature in black ink, reading "Michael H. Schneider". The signature is written in a cursive style with a horizontal line underneath the name.

MICHAEL H. SCHNEIDER  
UNITED STATES DISTRICT JUDGE